

19th

Annual Report

2012-13

RADIX INDUSTRIES (INDIA) LIMITED

19th Annual General Meeting

22nd August 2013

at 11.00 A.M.

at 4-243, Chivatam, Near NH-5 Road,
Tanuku - 534211 West Godavari District,
Andhra Pradesh

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CORPORATE INFORMATION

BOARD OF DIRECTORS

- Sri. G. Raghu Rama Raju : Managing Director
- Smt. G. Parvathi : Director
- Sri. G. Ganapathi Rama Prabhakara Raju : Director
- Sri V. Viswanada Raju : Independent Director
- Sri G. Ramalakshmi Narayana Rao : Independent Director
- Sri M. Kiran Phani Varma : Independent Director

AUDITORS : **M/s Chevuturi Associates**
Chartered Accountants
Vijayawada.

REGISTERED OFFICE : Door No. 4-243
Chivatam, Near NH-5 Road
Tanuku – 534211
West Godavari Dist,
Andhra Pradesh, India

CORPORATE OFFICE : **Plot No. 21, Aswini Heights,
Road No.7, Jubilee Hills,
Hyderabad – 500 033**

BANKERS : **State Bank of India, Tanuku**

LISTED AT : The Bombay Stock Exchange Limited, Mumbai
Madras Stock Exchange Limited, Chennai

**REGISTRARS &
SHARE TRANSFER AGENTS** : **M/s. Bigshare Services Private Limited**
Local office at 306, Right Wing,
Amrutha Ville, Opp. Yashoda Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad – 500 082

Corporate Consultants : **M/s. P. S. Rao & Associates**
Company Secretaries
Flat No.10, 4th Floor, D. No.6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple,
Dwarakapuri Colony, Punjagutta,
Hyderabad – 500 082, A.P., India

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of the Company will be held on Thursday , the 22nd August 2013 at 11.00 A.M. at the registered office of the company at 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2013 and the Statement of Profit and Loss Account and cash flow statement for the financial year ended on that date along with the Report of Directors and the Auditors thereon.
2. To appoint a Director in the place of Smt G. Parvathi, who retires by rotation and being eligible offers herself for re-appointment
3. To appoint a Director in the place of Sri M. Kiran Phani Varma, who retires by rotation and being eligible offers himself for re-appointment
4. To appoint Statutory Auditors of the Company to hold the office as such from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix the remuneration.

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Place : Tanuku
Date : 24.07.2013

Sd/-
G.Raghu Rama Raju
Managing Director

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books will remain closed from 17th August, 2013 to 22nd August, 2013 (both days inclusive).
3. Members / Proxies are requested to bring their copies of Annual Report with them for the Annual General Meeting and the attendance slip duly filled in for attending the Meeting. No copies of the Annual Report will be distributed at the meeting.
4. Members are requested to quote their Registered Folio No or Clint Identification Number on all correspondence with the Company.
5. Members are requested to send all communication relating to shares to the Company's RTA, M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued circular stating that service of notice/documents including annual report can be sent by e-mail to its members. We fully support the Ministry's green initiative. Accordingly, the members are requested to inform their e-mail addresses to RTA - M/s Bigshare Services Pvt. Ltd. 306, Right Wing Amrutha Ville Opp Yashoda Hospital Rajbhavan Road Somajiguda, Hyderabad – 500 082
7. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the Directors seeking appointment / re-appointment in this Annual General Meeting is annexed.

ADDITIONAL INFORMATION

(Pursuant to Clause 49 IV (G) of the Listing Agreement)

Smt G. Parvathi, aged 37 years, is a Director of M/s Arqube industries (india) Limited. She is the wife of the Mr. G. Raghurama Raju . She provides active support in the business affairs of the company and She looks after the day to day administration and production of the company.

She is also the Director in M/s. Diamond Drop Property Holdings (India) Private Limited.

Shareholding in the Company: **13,30,000 (13.29%)**

Sri M. Kiran Phani Varma, aged about 33 years, is a qualified Bachelor of Engineering He brings with young and fresh perspective in all aspects of decision making. He is not a Director in any other Company.

Shareholding in the Company : **1,95,570 (1.95%)**

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-
G. Raghurama Raju
Managing Director

Place : Tanuku
Date : 24.07.2013

DIRECTORS' REPORT

Your Directors hereby present the **NINETEENTH ANNUAL REPORT** together with the Audited Accounts of the company for the financial year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS:

The financial highlights for the current year in comparison to the previous year are as under:

(Rs. In Lacs)

Particulars	Current Year (2012-13) (12 months)	Previous Year (2011-12) (9 months)
Total Revenue	796.54	14.95
Total Expenditure (before Financial Charges, Depreciation and Taxation)	700.11	14.92
Profit before Financial Charges, Depreciation and Taxation	96.43	0.03
Less: Depreciation	6.31	0.43
Less: Financial Charges	8.64	0.00
Profit Before Tax	81.48	-0.40
Less: Provision for Tax (MAT) & Deferred Tax	4.38	0.00
Profit After Tax	77.1	-0.40
Loss from Previous Year	-236.58	-555.48
Less : Transfer from Reduction of Capital	0.00	319.30
Net Loss carried to Balance Sheet	-159.48	-236.58

* The figures for the current Financial year are for 12 months from 01.04.2012 to 31.03.2013 and that for previous year are for 9 months from 01.07.2011 to 31.03.2012 and hence not comparable.

OPERATIONS:

The year under review, has been a very successful year for the Company. The hard efforts of the management has resulted in a top line of Rs.796.54 Lacs against a mere Rs14.95 Lacs in the previous year. The operations resulted in bottom line of Rs. 77.10 lakhs as against loss of Rs - 0.40 previous year.

FUTURE OUTLOOK:

All though the Company has done well in terms of sales and profits, the management believes that this is just the beginning. The management will strive hard in the ensuing financial year to attain greater heights both in terms of sales and profitability.

In the coming years, the management will strive to identify and produce distinct varieties of hair wigs to cater to the needs of European and other overseas markets.

DIVIDEND:

In view of the accumulated losses, your Directors do not recommend any dividend for the financial year 2012-13

FIXED DEPOSITS:

The company has neither accepted nor renewed any deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 from the public during the financial year.

DIRECTORS:

Smt G Parvathi and Sri M. Kiran Phani Varma, retire at the ensuing Annual General meeting and being eligible, offer themselves for re-appointment.

AUDITORS:

M/s Chevuturi Associates, Vijayawada Chartered Accountants, , the Statutory Auditors of the Company retire at the conclusion of ensuing Annual General Meeting & being eligible, offer themselves for re-appointment. They have furnished a certificate stating that their re-appointment, if made, will be within the limits laid down under Section 224(1B) of the Companies Act, 1956. The Board recommends their re-appointment for the FY 2013-14.

PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975, and as amended from time to time as remuneration of none of the employees is in excess of Rs.5, 00,000- per month, if employed for the part of year or Rs. 60, 00,000 / Rs. 75, 00,000 per annum during the financial year 2012-2013

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the financial year ended 31st March , 2013, the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any, there from;
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period:
- (iii) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- (iv) that the directors have prepared the annual accounts on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of the particulars in the report of the Board of Directors) Rules, 1988 are given as **Annexure A** and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report, pursuant to Clause 49 of the Listing Agreement forms part of this Report and is annexed hereto.

CORPORATE GOVERNANCE:

The Company has implemented the procedures and adopted practices in conformity with the Code of Corporate Governance enunciated in Clause 49 of the Listing Agreement with the Stock Exchanges. A separate report on Corporate Governance is annexed herewith, as a part of the Annual Report along with the CS Certificate on its compliance.

LISTING:

Your Company's shares are presently listed on The Bombay Stock Exchange Limited, Mumbai and Madras Stock Exchange Limited, Chennai and the listing fees for F.Y 2013-14 is paid.

ACKNOWLEDGEMENTS:

Your directors acknowledge the continued support from regulatory, government authorities, staff and all the stake holders for their support and cooperation.

BY THE ORDER OF THE BOARD
For Radix industries (India) Ltd

Sd/-
G.Raghu Rama Raju
Managing Director

Place : Tanuku
Date : 24.07.2013

Annexure-A

INFORMATION UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY:

- i.. The operations of the Company are not power intensive.. However it is very careful in using the power to reduce the cost of maintenance and conserve the resources.
- ii. The Company has not made any additional investments and has not proposed any amount for reduction of consumption of energy.
- iii. There is no impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- iv. Disclosure under Form A is not applicable to the Company.

B. TECHNOLOGY ABSORPTION:

FORM B

(Disclosure of particulars with respect to technology Absorption)

i) Research and Development (R & D) :

Specific areas in which R & D carried out by the Company : NIL
 Benefits derived as a result of the above : NIL
 Future plan of action : NIL
 Expenditure on R & D : NIL

ii) Technology absorption, adaptation and innovation : NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Activities relating to exports and initiatives taken to increase export products, services and export plans : NIL

The Company is 100% Export Oriented Unit (EOU), and as such all its sales is export sales. The Company is also actively scouting for new overseas markets.

Foreign Exchange earnings and outgo:
 (on receipts and payments basis)

Particulars	Rs. in lacs	
	2012-13	2011-12
Foreign Exchange Earnings	788.07	14.85
Foreign Exchange Outgo	3.94	4.54

BY ORDER OF THE BOARD
For Radix Industries (India) Limited

Sd/-

G.Raghu Rama Raju
 Managing Director

Place : Tanuku
 Date : 24.07.2013

MANAGEMENT DISCUSSION & ANALYSIS**OVERVIEW:**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and other statutory requirements. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

INDUSTRY STRUCTURE AND DEVELOPMENT:**ECONOMIC OVERVIEW**

India is the 19th-largest exporter and the 10th-largest importer in the world. The economy slowed to around 5.0% for the 2012–13 fiscal year compared with 6.2% in the previous fiscal. India's GDP grew by 9.3% in 2010–11; thus, the growth rate has nearly halved in just three years. GDP growth rose marginally to 4.8% during the quarter through March 2013, from about 4.7% in the previous quarter. The government has forecast a growth rate of 6.1%-6.7% for the year 2013-14, whilst the RBI expects the same to be at 5.7%.

INDUSTRY OVERVIEW

India is one of the leading exporters of human hair. According to the United Nations trade statistics, China and India exported more than USD 180 Million worth of human hair last year. That is precisely because Asian hair grows the fastest and has the greatest elasticity. Moreover, Indian hair is considered to be fine, lustrous and free from chemical treatments, making it suitable for manufacturing wigs.

OPERATIONS:

The year under review, has been a very successful year for the Company. The hard efforts of the management has resulted in a topline of Rs.796.54 Lacs against a mere Rs14.95 Lacs in the previous year. The operations resulted in bottomline of Rs. 77.1 lakhs as against loss of Rs - 0.40 previous year.

FUTURE OUTLOOK:

All though the Company has done well in terms of sales and profits, the management believes that this is just the beginning. The management will strive hard in the ensuing Financial year to attain greater heights both in terms of sales and profitability.

OPPORTUNITIES & THREATS

Strength: Huge demand of Hair wigs produced in India in foreign countries, providing high export potential.

Weakness: To get the Hairs for the manufacturing of wigs whenever required is not possible. So it needs to be purchased in bulk quantity whenever it is available, requiring heavy capital investments in stocks.

Opportunities: Asian hair grows the fastest and has the greatest elasticity, making it the most preferred wigs around the world. There is huge demand for human hair and Articles of human hair in China, Brazil, Spain, Korea, U.K, Hong Kong, Indonesia, Italy, Austria, Germany etc.

Threats: Earlier the industry experienced serious threat from synthetic hair. However, the synthetic hair had not found favor with the consumers, as it is said to have caused allergic problems and cancer. Other perceived threats are Un Organized Sector, largely dependent on overseas market and normal market competition.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The philosophy we have with regard to internal control systems and their adequacy has been formulation of effective systems and their strict implementation to ensure that assets and interests of the Company are safeguarded; checks and balances are in place to determine the accuracy and reliability of accounting data. The Company has a well defined organization structure with clear functional authority, limits for approval of all transactions. The Company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. Company updates its internal control system from time to time, enabling it to monitor employee adherence to internal procedures and external regulatory guidelines.

PERSONNEL:

Human wealth is the ultimate wealth in for any industry. The Company recognizes this fact and understands that employees are one of the most important sources for sustained growth of any business. Quality personnel delivering their optimum potential for the organization is the key differentiator. The Company maintained good relations with its employees and there was no unrest in the Company at any point of time.

Industrial relations in the organization continued to be cordial and progressive.

HEALTH AND SAFETY:

The Company places considerable emphasis on health and safety throughout its operation and displays commitment to ensure the high standards being maintained in compliance with applicable laws and regulations.

FORWARD LOOKING / CAUTIONARY STATEMENT:

Certain statements in the Management Discussion & Analysis Report detailing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future event, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting domestic demand supply conditions, finished goods prices, changes in Government Regulations and Tax regime etc. The Company assumes no responsibility to publically amend, modify or revise any forward looking statements on the basis of subsequent developments, information or events.

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company believes in transparency, empowerment, accountability and integrity in its operations duly delegated authority to various functional heads that are responsible for attaining the corporate plans with the ultimate purpose of enhancement of "Stake holder value".

Moreover, the Company believes that sound Corporate Governance practices that provide an important platform to assist the management and the Board in delivering its responsibilities. The Company has always been taking the spirit of various legislations as guiding principles and has done well beyond simple statutory compliance. The Board of directors of the company has the responsibility of protecting the long term interests of all the stakeholders, while adhering to sound principles of corporate governance.

The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

The Company upholds the policy of having an optimum combination of Executive, Non-Executive and Independent Directors to ensure independent, transparent and professional conduct of Board Procedures in all aspects. The Chairman is an Executive Director and the number of Independent Non-executive directors is 50% of the Board strength.

During the Financial year ended 31st March, 2013, Board of Directors met 5 times and gap between two Board meetings did not exceed four months. None of the Directors on the Board is a member in more than 10 committees and none of them act as Chairman of more than five committees across all companies in which he is a Director.

Date of Board Meetings :

07.05.2012	23.07.2012	03.09.2012	09.11.2012	12.02.2013
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The attendance at the Board Meetings conducted during the 12 months period ended 31st March, 2013 and at the Annual General Meeting as also the number of Directorships and committee memberships (other than Radix Industries (India) Limited) are given below:

Name of Director	Category	Designation	No. of Board Meetings Attended	Attendance at previous AGM	No. of Memberships in other companies (excluding private limited Companies)		
					Boards	Chair man	Comm ittees
G. Raghu Rama Raju	Promoter Executive	Managing Director	5	Yes	1	1	Nil
Parvathi Gokaraju	Promoter Non-Executive	Director	5	Yes	2	Nil	Nil
G Ganapathi Rama Prabhakar Raju	Promoter Non-Executive	Director	5	Yes	Nil	Nil	Nil
V Vishwanada Raju	Independent Non-Executive	Director	5	No	Nil	Nil	Nil
Rama Lakshmi Narayana Rao	Independent Non-Executive	Director	5	Yes	1	Nil	1
M. Kiran Phani Varma	Independent Non-Executive	Director	5	No	Nil	Nil	Nil

3. AUDIT COMMITTEE

The Audit Committee consists of 3 Independent Directors. It provides assistance to the Board of Directors in fulfilling its oversight responsibilities. The Audit committee has been entrusted with the responsibilities as laid down under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement, to the extent applicable and required

Composition:

The committee consist of following members :

- ❖ Sri. G Rama Lakshmi Narayana Rao – Chairman
- ❖ Sri. M Kiran Phani Varma – Member
- ❖ Sri. V.Viswanada Raju – Member

Terms of Reference:

- a. To review the results and announcement, and the report and accounts at the end of a quarter, half year and the full year before submission to the Board, focusing particularly on:
 - (i) Any changes in accounting policies and practices.
 - (ii) Compliance with accepted accounting standards.
 - (iii) Compliance with the Listing and other Legal requirements
 - (iii) Major Judgmental Decisions; etc.

- b. To consider appointment of Statutory Auditors, the Audit Fee, and any matter of resignation and dismissal.
- c. To discuss with the Statutory Auditor, before the audit commences, the nature and scope of the Audit.
- d. To discuss problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss.
- e. To consider other matters as may be delegated by the Board from time to time.

Powers of Audit Committee:

- To investigate any activity within its terms of reference.
- To seek information from any employee
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

Meetings during the year:

During the Financial year ended 31st March, 2013, the Audit Committee met 4 times as follows, and all the members were present in each of such meetings.

Date of Audit Committee Meetings:

07.05.2012	23.07.2012	09.11.2012	12.02.2013
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The Company continued to derive immense benefit from the deliberations of the Audit Committee. Sri. G Rama Lakshmi Narayana Rao, who is heading the Audit Committee as Chairman has rich experience and professional knowledge in Finance and Accounts. The members always added value for the Company. Minutes of each Audit Committee were placed before the Board and discussed in the meeting.

4. REMUNERATION COMMITTEE:

The Remuneration Committee consists of 3 Independent Directors. It provides assistance to the Board and Shareholders to decide upon the appropriate remuneration package for the Directors.

Composition

The committee consist of following members :

- ❖ Sri. V.Viswanada Raju – Chairman
- ❖ Sri. G Rama Lakshmi Narayana Rao – Member
- ❖ Sri.. M Kiran Phani Varma – Member

Terms of Reference:

- The Remuneration Committee recommends to the Board the compensation terms of the executive directors / non-executive directors
- Framing and implementing on behalf of the Board and shareholders, a credible and transparent policy on remuneration of executive directors including ESOP, Pension Rights and any compensation payment
- Considering, approving and recommending to the Board the changes in designation and increase in salary of the executive directors
- Ensuring the remuneration policy is good enough to attract, retain and motivate directors
- Bringing about objectivity in deeming the remuneration package while striking a balance between the interest of our Company and the shareholders.

Remuneration paid to Directors during the Financial Year

Executive Directors: NIL

Non - Executive Directors: NIL

No meeting of the remuneration committee was held during the financial year 2012-2013 since there was no remuneration paid to any director.

Shareholding of Non-Executive Director as on 31.03.2013:

Name of Director	No of Shares	%
G. Parvathi	1,330,000	13.29
G Ganapathi Rama Prabhakar Raju	5000	0.05
V Vishwanada Raju	NIL	NIL
Rama Lakshmi Narayana Rao	NIL	NIL
M. Kiran Phani Varma	195,570	1.95

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Brief description of terms of reference:

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors.

The Committee specifically looks into investor complaints like Transfer/ transmission/ transposition of shares, non receipt of Annual Report, non – receipt of dividend, and other related issues.

The Shareholders / Investors Grievance Committee consists of 3 Independent Directors.

Composition

The committee comprises of the following members:

- ✧ Sri. M Kiran Phani Varma – Chairman
- ✧ Sri. G Rama Lakshmi Narayana Rao – Member
- ✧ Sri. V.Viswanada Raju – Member

Terms of reference:

The Committee focuses on shareholders' grievances and strengthening of investor relations. The committee looks after the services of the Registrars and share transfer agents and recommends measures for providing efficient services to investors.

The Committee specifically looks into investor complaints like Transfer/ transmission/ transposition of shares, non receipt of Annual Report, non – receipt of dividend, and other related issues.

The company has registered itself under SEBI Compliant Redressal System (**SCORES**) for faster and transparent processing of Investor Grievance. The details of Complaints received and resolved during the year is as follows:

1	PENDING AT THE BEGINNING OF THE YEAR	0
2	RECEIVED DURING THE YEAR	8
3	DISPOSED OF DURING THE YEAR	8
4	REMAINING UNRESOLVED AT THE END OF THE YEAR	0

There are no outstanding complaints as on 31st March, 2013.

6. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A Report of the Management Discussion and Analysis is attached as part of the Annual Report.

7. GENERAL BODY MEETINGS:

Venue and time where the last three AGMs held:

Year	AGM	Venue	Day & Date	Time
2012	18th	4-243, Chivatam, Near NH-5 Road Tanuku - 534211 West Godavari District, Andhra Pradesh.	Friday, 28th September, 2012	10.30 A.M.
2011	17th	4-243, Chivatam, Near NH-5 Road Tanuku - 534211 West Godavari District, Andhra Pradesh.	Thursday, 29th September, 2011	10.30 A.M
2010	16th	Pedda Kandukuru Village, Yadagirugutta Mandal, Aler, Nalgonda District, Andhra Pradesh	Wednesday, 15th September, 2010	11.00 A.M

Special Resolutions:

No Special Resolutions have been passed in the previous 3 AGM's.

Postal ballot:

Postal Ballot Notice Dated 23rd July 2012:

The Board of Directors sought the approval of members of the Company by way of Postal Ballot for :

- Item 1:** Authorizing the Board of Directors to borrow an amount not exceeding Rs.90.00 Crores.
- Item 2:** Authorizing the Board of Directors to create charge on the assets of the Company to secure its borrowings.
- Item 3:** Increase of Authorized Capital from Rs.10.00 Cr to Rs. 15.00 Cr
- Item 4:** Further Issue of 70,00,000 Equity shares of Rs.10 /- each at par to Promoters and Non Promoters on Preferential Basis.

The Postal Ballot Notice dated 23.07.2012 along with Postal Ballot Forms and the self addressed, stamped postage envelope, for passing the above Resolutions by postal ballot pursuant to Section 192A of the Companies Act, 1956, were dispatched to the members of the Company on 27.07.2012

The Board of Directors at its meeting held on 23.07.2012 had appointed Ms. N Vanitha, Practicing Company Secretary, Hyderabad as Scrutinizer to receive and scrutinize the ballot forms received from the Members and for conducting the Postal Ballot process in a fair and transparent manner. The Postal Ballot Forms and the self addressed, stamped postage envelope were also sent for use of Members. The shareholders were requested to return the postal ballot forms duly completed along with the assent (for) or dissent (against), so as to reach the scrutinizer on or before 27.08.2012

After due scrutiny of all the postal ballot forms received up to the close of working hours of 27.08.2012. (Being last date fixed for return of the Postal Ballot forms duly filled in by the Members), Ms. N Vanitha submitted her report certifying that the resolutions were duly passed , with voting pattern, as under:

Sl. No	Particulars	Resolution No.1	Resolution No.2	Resolution No.3	Resolution No.4
1	Total ballot forms received	34	34	34	34
2	Less: invalid ballot forms	3	3	3	3
3	Number of valid ballot forms received	31	31	31	31
4	Number of Votes on valid ballot forms	2620610	2620610	2620610	2620610
5	Number of Votes on invalid ballot forms	370	370	370	370
6	Ballot forms with Assent	2620610	2620610	2620610	2620610
7	Ballot forms with Dissent	0	0	0	0
8	Percentage of Votes in favour of the Resolution	100	100	100	100
9	Percentage of Votes against the Resolution	0	0	0	0
10	Result	Passed as Ordinary Resolution	Passed as Ordinary Resolution	Passed as Special Resolution	Passed as Special Resolution

8. DISCLOSURES:

- a. Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large: As disclosed in Note no 22 of Notes to Accounts.
- b. Details on non-compliance by the company, penalties and structures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: None
- c. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of the clause

Pursuant to sub-clause VII of clause 49 of the listing agreement, the Company confirms that it has complied with all mandatory requirements prescribed.

As regards non-mandatory requirements, a Remuneration Committee has been formed to evaluate remuneration packages for directors and senior staff members.

9. MEANS OF COMMUNICATION:

- a. Quarterly Financial Results are furnished within the time frame to all the concerned Stock Exchanges as per clause 41 of the Listing Agreement and the same are displayed on the company's website. The same are also published in English and in Telugu (Regional Language) newspapers.
- b. No presentations were made to the analysts or institutional investors during the year under review except the results are mailed electronically to those who have requested for regular information.
- c. All material information about the Company is promptly sent through facsimile to the Stock Exchanges where the Company's shares are listed.

d. C.E.O. Certification

Sri G Raghu Rama Raju (Managing Director) and Smt G Parvathi, Director certified to the Board on the prescribed matters as required under Clause 49 of the Listing Agreement and the said Certificate was considered by the Board at its meeting held on 06.05.2013.

11. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting :

- Day, Date and time** : Thursday, 22nd August, 2013 at 11:00 A.M.
- Venue** : 4-243, Chivatam, Near NH-5 Road, Tanuku – 534211 West Godavari District, Andhra Pradesh
- Financial Year** : 01.04.2012 to 31.03.2013 (12 Months)
- Book Closure Date** : 17.08.2013 to 22.08.2013 (Both days inclusive).
- Dividend** : No dividend is recommended for the year.
- Listing on Stock Exchanges** : The Bombay Stock Exchange Limited, Mumbai
Madras Stock Exchange Limited, Chennai
- Scrip Code Number** : 531412 – BSE
RGPT - MSE
- Market Price Data** : Monthly High, Low and number equity shares traded during each month in the year 2012-13 on BSE:

Month	High	Low	Total no of equity shares traded
Apr-12	NA	NA	NA
May-12	NA	NA	NA
Jun-12	NA	NA	NA
Jul-12	NA	NA	NA
Aug-12	10.92	10.92	100
Sep-12	NA	NA	NA
Oct-12	12.03	11.46	700
Nov-12	19.55	12.63	1000
Dec-12	27.30	20.50	10
Jan-13	53.70	28.65	123
Feb-13	78.90	56.35	1024
Mar-13	90.70	68.10	4332

COMPARISON OF MONTHLY CLOSING PRICE VS SENSEX



Registrars and Transfer Agents : Share Transfers & Communication regarding Share Certificates, Dividends & Change of Address may be sent to

M/s. Bigshare Services Private Limited
 Local office at 306, Right Wing, Amrutha Ville,
 Opp. Yashoda Hospital, Somajiguda,
 Rajbhavan Road, Hyderabad – 500 082

Share Transfer System :

The R&T agents process the share transfers received in physical form and the share certificates are returned within 15 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc of the Company's securities to the Share Transfer Committee.

The Company obtains half yearly Certificate of Compliance with the Share Transfer formalities as required under clause 47 (C) of the Listing Agreement with Stock exchanges from a Company Secretary in practice and the same is submitted to the Stock Exchanges within the period prescribed.

Distribution of Shareholdings as on 31.03.2013:

Equity shares holding of Nominal Value (Rs)	No.of shareholders	%	Amount (in Rs)	%
Upto 5000	704	94.24	311730	0.31
5001 to 10000	11	1.47	84060	0.08
10001 to 20000	4	0.54	52250	0.05
20001 to 30000	2	0.27	51000	0.05
30001 to 40,000	4	0.54	133500	0.13
40001 to 50000	1	0.13	50000	0.05
50001 to 100000	3	0.40	267460	0.27
100001 & above	18	2.41	99097800	99.05
Total	747	100.00	100047800	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company has obtained electronic connectivity with NSDL & CDSL. The ISIN allotted to the Company is **INE576N01014**. As on 31.03.2013 88.30 % paid up share Capital of the Company is in dematerialized form.

Outstanding GDR's / ADR's / Warrant or any convertible instruments, conversion date and likely impact on Equity:

The Company has not issued any of these instruments till date.

Secretarial Audit:

A qualified practicing Company Secretary carries out Secretarial Audit every quarter to reconcile the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form.

Address for correspondence:

PLANT OFFICE : 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211
West Godavari District, Andhra Pradesh

CORPORATE OFFICE : Flat No. 21, Aswini Heights, Road No.7, Jubilee Hills,
Hyderabad – 500 033

Nomination Facility:

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 109A of the Companies Act, 1956 are requested to submit to the Company the prescribed Form 2B for this purpose.

Code of Conduct for the Board & Senior Management Personnel:

The Company has laid down a Code of Conduct which has been effectively adopted by the Board Members and Senior Management Personnel of the Company.

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

Radix Industries (India) Limited has adopted a Code of Business Conduct and Ethics (the Code) which applies to all the employees and Directors of the Company. Under the Code, it is the responsibility of all the employees and directors to familiarize themselves with the code and comply with its standards.

I hereby certify that the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the year 2012-13.

Sd/-

G. Raghu Rama Raju
Managing DirectorPlace : Tanuku
Date : 24.07.2013

**CERTIFICATE FROM COMPANY SECRETARY REGARDING COMPLIANCE OF
CONDITIONS OF CORPORATE GOVERNANCE**

To
The Members,
Radix Industries (India)Ltd

We have examined the compliance of conditions of corporate governance by **Radix Industries (India) Ltd** for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For P.S. Rao & Associates
Company Secretaries

Sd/-
N. Vanitha
Company Secretary
C.P. No.:10573

Place : Hyderabad
Date : 06.05.2013

INDEPENDENT AUDITORS' REPORT

To

THE SHAREHOLDERS OF
RADIX INDUSTRIES (INDIA) LIMITED
CHIVATAM, TANUKU.

Report on the Financial Statements:

We have audited the accompanying financial statements of RADIX INDUSTRIES (INDIA) LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the

financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b. in the case of the Statement of Profit and Loss , of the profit for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books ;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

- e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441 A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For CHEVUTURI ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg.no.000632S

Sd/-

(CA. Srinivasa Rao Cherukuri)

Partner

M.No.209237

Place : Tanuku

Date : 06.05.2013

Annexure to the Auditor's Report

- 1.1 According to the information and explanations furnished to us, the company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- 1.2 According to the information and explanations furnished to us, the company has physically verified its fixed assets during the period and no material discrepancies were noticed on such verification carried out during the period.
- 1.3 According to the information and explanations furnished to us, the company has not disposed of a substantial part of its fixed assets during the period under report.
- 2.1 According to the information and explanations furnished to us, the company has physically verified its inventories during the period under report. In our opinion, the frequency and extent of such verification is reasonable.
- 2.2 In our opinion the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- 2.3 According to the information furnished to us, the company is maintaining proper records of its inventory. The discrepancies if any noticed on verification of inventories between the physical stocks and the book records were not material, and have been properly dealt with in the books of account.
- 3.1 According to the information and explanations furnished to us, the company has not granted any loans to companies, firms or other parties covered by the register maintained under Section 301 of the Companies Act 1956, at the beginning of the period under report or during the period under report, and consequently reporting under sub-clauses b, c and d of clause 4 (iii) of the Order does not arise during the period under report.
- 3.2 According to the information and explanations furnished to us, the company has not taken any loans from directors or from the parties who is covered by the register maintained under section 301 of the Companies Act, 1956. Hence the reporting requirement in terms of clause e,f,g of 4 (iii) of the said order does not arise.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. Further, during the course of our audit, we have not come across any instances of major weaknesses in internal control system that in our opinion require correction but have so continued without correction

5. In our opinion and according to the information and explanations given to us, the transactions which have been entered into, pursuant to contracts that have been entered in register maintained under section 301 of the companies Act, 1956, during the year under report, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the company has not accepted any deposits covered under the provisions of section 58A, 58AA or any other relevant provisions of the Act. Further, according to the information furnished to us, no order has been passed on the company by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal for non-compliance with the provisions of Sections 58A and 58AA of the Companies Act, 1956.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under Section 209(1) (d) of the Companies, Act, 1956, wherever prescribed, and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we are not required to and have not carried out a detailed audit of the same.
- 9.1 According to the information and explanations furnished to us and according to the books and records produced for our examination, in our opinion, the company is regular in depositing with the appropriate authorities, the undisputed statutory dues including Provident Fund, Employees' State insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty and other material statutory dues wherever applicable to it and further there are no undisputed statutory dues that were outstanding, as at the date of the Balance Sheet, for a period of more than six months from the date they became payable.
- 9.2 According to the information and explanations furnished to us and according to the records of the company, the company has no disputed dues on account of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Excise Duty or Cess pending remittance as at March 31, 2013.
- 10 The company has accumulated losses of Rs. 55,66,483 at the end of the financial year, and it did not incur cash losses during the financial year covered by our audit and in the immediate preceding financial year.
11. According to the information and explanations given to us, there were no defaults in repayment of dues to financial institutions, banks or debenture holders at the date of balance sheet.

12. According to the information and explanations given to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures, and other securities.
13. In our opinion and according to the information and explanations furnished to us, the company is not a chit fund or a nidhi / mutual benefit fund / society and hence, the requirements of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the period under report.
14. In our opinion and according to the information and explanations furnished to us, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the requirements of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company during the period under report under report.
15. According to the information and explanations furnished to us, the company has not given any guarantee for loans taken by others from any banks or financial institutions during the period and also there are no such outstanding guarantees as on date of balance sheet.
16. The company has not obtained any term loans from Banks and Financial Institutions. Hence reporting requirement in terms of Clauses (xvi) does not arise during the period under report.
17. In our opinion and according to the information and explanations furnished to us, and on an overall examination of Balance Sheet of the company, we are of the opinion that considering the internal accruals of the company during the period under report, funds raised by the company on short term basis have prima facie not been used for long term applications, except for permanent working capital.
- 18.1 According to the information and explanations furnished to us, pursuant to section 81(1A) and other applicable provisions, if any, under the Companies Act 1956 the company has made preferential allotment of shares of Rs. 7,00,00,000 divided into 70,00,000 equity shares of Rs. 10/- each at their board meeting held on 3rd September, 2012 in pursuance of the resolution passed by the share holders through postal ballot on 28-08-2012, of which 52,20,000 equity shares allotted to two related parties covered by the register maintained under section 301 of the Companies Act, 1956 and 17,80,000 equity shares allotted to other parties.
- 18.2 Further according to the information and explanations furnished to us, the price of Rs. 10/- per share at which preferential allotment of shares has been made is not prejudicial to the interest of the company.
19. According to the information and explanations given to us, the company has not issued any debentures during the period under report.

20. The company has not raised any monies through public issue of its securities during the period under report, and the question of end use of such monies did not arise during the period under report.
21. According to the information and explanations furnished to us, and based on the audit procedures generally adopted by us, we report that, during the period, no fraud on or by the company has been noticed or reported that is either significant or could have caused a material misstatement in the financial statements.

For CHEVUTURI ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Reg.no.000632S

Sd/-
(CA. Srinivasa Rao Cherukuri)
Partner
M.No.209237

Place : Tanuku
Date : 06.05.2013

BALANCE SHEET AS AT 31ST MARCH, 2013

(All amounts in ₹)

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
A. EQUITY & LIABILITIES:			
(1) Shareholders' Funds			
(a) Share Capital	3	100047800	30047800
(b) Reserves and Surplus	4	(5566483)	(13276135)
		94481317	16771665
(2) Non-Current Liabilities			
(a) Deferred tax liability (Net)	5	68452	0
(3) Current Liabilities			
(a) Short-term borrowings	6	14415500	0
(b) Other current liabilities	7	250372	23163
(c) Short-term provisions	8	1552512	0
		16218384	23163
TOTAL:		110768153	16794828
B. ASSETS:			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible assets	9	3599698	3716862
(b) Long-term loans and advances	10	33350	32500
		3633048	3749362
(2) Current assets			
(a) Inventories	11	103333622	11500876
(b) Trade receivables		329384	0
(c) Cash and cash equivalents	12	889012	1541440
(d) Other current assets	13	2583087	3150
		107135105	13045466
TOTAL		110768153	16794828
Corporate information and Statement of Accounting Policies	1 2		

Note : The accompanying notes are an integral part of the financial statements

For CHEVUTURI ASSOCIATES

For RADIX INDUSTRIES (INDIA) LIMITED

Chartered Accountants

F.R.NO.000632S

Sd/-

Sd/-

Sd/-

(CA. Srinivasa Rao Cherukuri)

Gokaraju Raghu Rama Raju

Gokaraju Parvathi

Partner

Managing Director

Director

M.No.: 209237

Place : Tanuku

Date : 06.05.2013

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-03-13

(All amounts in ₹)

Particulars	Note No	Figures for the Current reporting period	Figures for the Previous reporting period
1 INCOME FROM OPERATIONS			
(a) Revenue from operations	14	79653664	1494707
		79653664	1494707
2 EXPENSES			
(a) Cost of materials consumed	15	67182179	480466
(b) Employee benefits expense	16	221430	189150
(c) Finance cost	17	863547	64
(d) Depreciation and amortization expense	9	630744	42717
(e) Other expenses	18	2608235	822894
Total Expenses		71506135	1535291
Profit before tax		8147529	-40584
Tax expense:			
Less: (1) Current tax (MAT)		1552512	0
(2) Deferred tax		68452	0
		6526565	-40584
Add: (1) MAT Credit entitlement		1183087	0
Net Profit/-Loss for the period		7709652	-40584
Earnings per equity share:Basic		0.51	-0.05

Note : The accompanying notes are an integral part of the financial statements

For CHEVUTURI ASSOCIATES

Chartered Accountants

F.R.NO.000632S

Sd/-

(CA. Srinivasa Rao Cherukuri)

Partner

M.No.: 209237

For RADIX INDUSTRIES (INDIA) LIMITED

Sd/-

Gokaraju Raghu Rama Raju

Managing Director

Sd/-

Gokaraju Parvathi

Director

Place : Tanuku

Date : 06.05.2013

CASH FLOW STATEMENT FOR THE YEAD ENDED 31st MARCH 2013

(All amounts in ₹)

Particulars	31.03.2013	31.03.2012
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax	8147529	(40584)
<u>Add/Less: Adjustments for</u>		
Depreciation	630744	42717
Interest expense	863547	64
Operating profit before working capital changes	9641820	2197
<u>Add/Less: Adjustments for working capital</u>		
Increase / Decrease in inventories	(91832746)	(11500876)
Increase/Decrease in Trade receivables	(329384)	
Increase/Decrease in Other current assets	3150	(3150)
Increase / Decrease in Loans and advances	(850)	0
Increase / Decrease in current liabilities	14642709	(1000)
Cash generated from operations	(67875301)	(11502829)
Less: Direct taxes paid	1400000	0
Net cash used in operating activities	(69275301)	(11502829)
II CASH FLOW FROM INVESTMENT ACTIVITIES		
Increase / decrease in fixed assets	(513580)	(3759579)
Decrease in long term advances	0	347845
	(513580)	(3411734)
III CASH FLOW FROM FINANCING ACTIVITIES		
Increase in Share Capital	70000000	26500000
Interest expense	(863547)	(64)
Repayment of borrowings	0	(26500000)
Net cash from financing activities	69136453	(64)
Net increase / decrease in cash and cash equivalents	(652428)	(14914627)
Cash and cash equivalents at the beginning of the period	1541440	16456067
Cash and cash equivalents at the end of the period	889012	1541440
Net increase / decrease in cash and cash equivalents	(652428)	(14914627)

For CHEVUTURI ASSOCIATES

Chartered Accountants

F.R.NO.000632S

Sd/-

(CA. Srinivasa Rao Cherukuri)

Partner

M.No.: 209237

Place : Tanuku

Date : 06.05.2013

For RADIX INDUSTRIES (INDIA) LIMITED

Sd/-

Gokaraju Raghu Rama Raju

Managing Director

Sd/-

Gokaraju Parvathi

Director

STATEMENT ON ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**1. Corporate information**

Radix Industries (India) Limited (the company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on two stock exchanges in India. The company is engaged in the manufacturing and selling of human hair products. The company caters to both domestic and international markets.

2. Statement on Accounting Policies**a. Basis of Accounting and preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the revised provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consisted with those of previous period.

b. Tangible fixed assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. Cost of acquisition of fixed assets is inclusive of freight, duties and taxes, borrowing costs, if any, on specific borrowings utilised for financing the assets upto the date of commissioning, the cost of installation/erection and other incidental expenses incurred to bring the asset to its present location and condition but exclusive of duties and taxes that are subsequently recoverable from taxing authorities.

c. Depreciation and Amortization

Depreciation is charged on pro-rata basis under written-down method value method by following the rates prescribed in schedule XIV to the Companies Act, 1956.

In respect of assets sold or disposed off during the year, depreciation / amortisation is provided till the month of sale or disposal of the assets.

d. Borrowing Costs

Borrowing Costs, that are directly attributable to the acquisition or construction of assets, that necessarily take a substantial period of time to get ready for its intended use, are capitalised as part of the cost of qualifying asset when it is possible that they will result in future economic benefits and the cost can be measured reliably.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

e. Inventories

Valuation of inventories is made as under:

- i) Finished goods are valued at lower of cost or net realizable value.
- ii) Raw materials, work-in-progress and stores and spares are valued at cost, following the FIFO Basis.
- iii) Work-in-Progress, raw materials, stores, spares are valued at cost except where the net realizable value of the finished goods they are used in is less than the cost of finished goods and in such an event, if the replacement cost of such materials etc., is less than their books value, they are valued at replacement cost.
- iv) By-products and scrap are valued at net realizable value.

f. Revenue Recognition

Sales are accounted for net of discounts and rebates. Export Sales are initially accounted at the exchange rate prevailing on the date of documentation/invoicing and the same is adjusted with the difference in the rate of exchange arising on actual receipt of proceeds in foreign exchange.

g. Income Taxes

Income tax expense comprises current and deferred taxes.

- i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.
- ii) Deferred tax is recognised under the liability method, on timing differences, being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more subsequent periods, at the rate of tax enacted or substantively enacted by the balance sheet date.

h. Provisions, Contingent Liabilities and Contingent assets

Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. The company does not recognise contingent liabilities but the same are disclosed in the Notes.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

i. Earnings per share

Earnings per share is calculated by dividing the net profit or loss for the year after tax attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

j. Foreign Exchange Transactions

- i) Transactions in foreign currency are initially accounted at exchange rate prevailing on the date of transaction, and adjusted appropriately, with the difference in the rate of exchange arising on actual receipt/payment during the period under report.
- ii) At each Balance Sheet date Foreign currency monetary items being receivables/ payables are reported using the rate of exchange on that date and difference is recognized as income or expense. Foreign currency non-monetary items are reported using the exchange rate at which they were initially recognized.
- iii) In respect of forward exchange contracts in the nature of hedges. Premium or discount on the contract is amortized over the term of the contract. Exchange differences on the contract are recognized as profit or loss in the period in which they arise.

k. Government Grants:

Grants from government are recognized when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants relating to assets the company has opted "capital approach" method. Accordingly, the grant is deducted from the gross value of the assets concerned in arriving at their books value.

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
3	SHARE CAPITAL:		
a.	Authorised Share capital 1,50,00,000 (1,00,00,000) Equity Shares of ₹10/- each	150,000,000	100,000,000
b.	Issued and subscribed capital 1,00,04,780 (30,04,780) Equity shares of ₹10/- each	100,047,800	30,047,800
c.	Paid up capital 1,00,04,780 (30,04,780) Equity Shares of ₹10/- each	100,047,800	30,047,800
d.	The Reconciliation of number of shares: Number of Shares at the beginning Less:Reduction of Capital consequent to the scheme of arrangement approved by Hon'ble AP High Court vide its order dt.12-12-2011.	No.of Shares 3004780 0	No.of Shares 3547800 3193020
	Add : Allotment of Preference Shares to unsecured loan creditors under the scheme of arrangement approved by Hon'ble AP High Court vide its order dt. 12-12-2011	3004780 0	354780 2650000
	Add: Preferential Shares allotment @ Rs.10/- each	7000000	0
	Number of Shares at the end of ₹10/- each)	10004780	3004780

e. Terms/Rights attached to equity shares:
The company has only one class of equity shares having a par value of ₹10 per share.Each shareholder is eligible for one vote per share held.The company declares and pays dividend in indian rupees. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing annual general meeting.

f. The preferential shares issued and allotted rank pari pasu with the existing Equity shares of the company including dividend.

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
g.	In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
h.	The details of shares holding more than 5% shares.	No.of Shares/	No.of Shares/
	Name of the Share holder	(%)	(%)
	i) Sri Gokaraju Raghu Rama Raju	6129210	1839210
		61.26	61.21
	ii) Smt Gokaraju Parvathi	1330000	400000
		13.29	13.31
i.	Forfeited shares and amount originally paid up		
	i) No of shares forfeited	0	4153000
	ii) Amount originally paid up (₹ 2.50 paid up per share for equity share of ₹ 10/- each)	0	10382500
4	RESERVES AND SURPLUS::		
a.	Capital Reserve: Opening Balance	10382500	10382500
b	Surplus: Opening Balance Less: Transfer from reduction of capital	(23658635) 0	(55548251) 31930200
	Add: Net Profit/(Loss) transferred from statement of Profit and loss	7709652	(40584)
	Closing Balance	(15948983)	(23658635)
	Total (a+b)	(5566483)	(13276135)
5.	DEFERRED TAX LIABILITIES(Net):		
	Fixed assets: Difference between tax depreciation and depreciation/amortisation charged for the financial reporting	68452	0

(All amounts in ₹)			
Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
6.	SHORT TERM BORROWINGS: State Bank of India - Tanuku (The above loan is primarily secured by hypothecation of stock and receivables and further collaterally secured by way of specific properties belonging to one director and further guaranteed by three directors in their individual capacities)	14415500	0
	Terms a) The above loan is repayable on demand b) The sanction limit is ₹ 155.00 lacs c) The interest rate of 7.25% p.a d) The Company is regular payment of interest on above loan as on reporting date		
7.	OTHER CURRENT LIABILITIES:		
	Interest accrued and due	188407	0
	Due to others	61965	23163
		250372	23163
8.	SHORT-TERM PROVISIONS: Provision for Income-Tax	1552512	0

NOTE 9 TANGIBLE FIXED ASSETS

₹ in lacs

S.No.	Name of the Asset	GROSS BLOCK			DEPRECIATION BLOCK			NET BLOCK			
		Cost As on 01.04.2012 ₹	Additions during the year ₹	Deductions during the year ₹	Total Cost upto 31.03.2013 ₹	Depreciation Upto 31.03.2012 ₹	Depreciation for the year ₹	Depreciation on Deductions ₹	Depreciation Upto 31.03.2013 ₹	W.D.V As on 31.03.2013 ₹	W.D.V As on 31.03.2012 ₹
	Tangible Assets:										
1	Office equipment	845523	0	0	845523	11707	150921	0	162628	682895	833816
2	Plant & Machinery	2914056	394479	111744	3196791	31010	425877	0	456887	2739904	2883046
3	Computers	0	230845	0	230845	0	53946	0	53946	176899	0
	TOTAL:	3759579	625324	111744	4273159	42717	630744	0	673461	3599698	3716862
	Previous Year	0	3759579	0	3759579	0	42717	0	42717	3716862	0

Note: No Intangible Assets & impairment of assets.

(All amounts in ₹)

Note No.	Schedules Annexed to and Forming Part of Balance Sheet	Figures as at the end of current reporting period ₹	Figures as at the end of previous reporting period ₹
10.	LONG TERM LOANS & ADVANCES: (Advances recoverable in Cash or in kind or for value to be received, unsecured considered good) Deposits with Govt. and Other Departments	33350	32500
		33350	32500
11.	INVENTORIES: (At cost as valued and certified by the Management) Raw Materials at cost Stores & Spares at cost	103159590 174032	11327849 173027
		103333622	11500876
12.	CASH & CASH EQUIVALENTS: Cash on hand Balance with scheduled banks in current a/c.	164455 724557	251310 1290130
		889012	1541440
13.	OTHER CURRENT ASSETS: (Advances recoverable in Cash or in kind or for value to be received, unsecured considered good) Advance for purchase of Raw Materials Advance Income Tax MAT Credit Entitlement	0 1400000 1183087	3150 0 0
		2583087	3150

(All amounts in ₹)			
Note No.	Schedules Annexed to and Forming Part of Profit and loss statement	Figures for the current reporting period ₹	Figures for the previous reporting period ₹
14	REVENUE FROM OPERATIONS:		
	Sale of Human Hair Products	79653664	1494707
	Less: Excise duty	0	0
		79653664	1494707
15	COST OF RAW MATERIAL CONSUMED:		
	Opening stock of Human hair	11327849	0
	Add: Purchases	159013920	11808315
		170341769	11808315
	Less: Closing stock of Human hair	103159590	11327849
		67182179	480466
16	EMPLOYEE BENEFITS EXPENSE:		
	Salaries and Wages	221430	189150
17	FINANCE COSTS:		
	Interest to bank	725253	0
	Other Borrowing cost	138294	64
		863547	64
18	OTHER EXPENSES:		
	Stores Consumed	285140	16850
	Advertisements	60577	45926
	Electricity Charges	197303	30561
	Manufacturing Exp	4191	2000
	Office and Administrative Exp	100306	102040
	Freight Charges	469592	30085
	Rent	300000	225000
	Bank Charges	76354	3957
	Insurance	123827	0
	Payment to Auditors--Towards Statutory Audit	16854	16545
	Taxes & Licenses	33652	1020
	Miscellaneous Expenses	940439	348910
		2608235	822894

19. Expenses / Earnings in Foreign Exchange

(All amounts in ₹)

Particulars	Current period ₹	Previous period ₹
a Expenses :		
i) CIF Value of Machinery Imported during the period	394479	264876
ii) Imported Stores and Spares	NIL	189877
b) Earnings :		
i) FOB value of exports made during the period	78807796	1485270

20. Disclosure on payments and dues to “suppliers” as defined under the “Micro, Small and Medium Enterprises Development Act, 2006” (‘The Act’).

SI No.	Particulars	31-03-13 ₹
1	Amount remaining unpaid, beyond the appointed/ agreed day, at the end of the period (a) Principal amount of bills to be paid (b) Interest due thereon	--Nil-- --Nil--
2	(a) Payments made to suppliers, during the period, but beyond appointed/ agreed day interest thereon in terms of Sec.16 of the Act. (b) Interest paid along with such payments during the period. (c) Interest due and payable at the end of the period, on such payments made during the period.	--Nil-- --Nil-- --Nil--
3	Amount of interest, for the period, u/s.16 of the Act. Accrued and remaining unpaid, at the end of the period.	--Nil--
4	Total amount of interest, u/s.16 of the Act, including that arising in earlier periods, accrued and remaining unpaid at the end of the period.	--Nil--

For the purpose of the above details the Status of the ‘Suppliers’ under the Act has been determined to the extent of and based on the information furnished by the respective parties, and has accordingly been relied upon by the company and its auditors.

21. Details of consumption of imported and indigenous items

Particulars	Current Period ₹	Previous Period ₹
A. Raw material		
Imported	NIL (0%)	NIL (0%)
Indigenous	67182179 (100%)	480466 (100%)
B. Stores and spares		
Imported	Nil (0%)	16850 (100%)
Indigenous	285140 (100%)	NIL (0%)

22. Particulars disclosed pursuant to “AS-18 Related Party Disclosures”.

A. List of Related parties:

Key Management Personnel

- a) Sri.G.Raghu Rama Raju, Chairman & Mg.Director
- b) Smt.G.Parvathi, Director
- c) Sri G.G.R. Prabhakara Raju, Director

Companies controlled by Key Management Personnel:

M/S. Diamond Drop Property Holdings(India) Private Limited
(Smt. G.Parvathi , Director interested as Director in the Company)

B. List of Related party transactions:

Nature of Transaction	Key Management personnel ₹	Companies/ Firms/ Controlled by KMP/Relatives of KMP ₹
A. Rent paid during the period to --Daimond Drop Property Holdings (India) Private Ltd.,	-	3,00,000
B. Balances as at 31-03-2013 Share capital in Company held by -Sri G.Raghu Rama Raju -Smt. G Parvathi -Sri G.G.R. Prabhakara Raju	6,12,92,100 1,33,00,000 50,000	

23. Earning Per Share (E.P.S) – AS-20

Particulars	31-03-2013	31-03-2012
Net Profit as per statement of profit and loss available for equity shareholders (₹)	7709652	-40584
No. of Equity Shares for Basic EPS	10004780	3004780
Nominal Value Per Share(Rupees)	10	10
Weighted average no. of equity shares	15171447	769144
Basic EPS per Share (in ₹)	0.51	-0.05

24. Stocks of Raw Materials, Finished goods, Stores and Spares etc., are as certified by the Management.

25. Outstanding balances in respect of Sundry Debtors, Sundry Creditors and Loans & Advances are subject to confirmation from the parties. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

26. Miscellaneous Expenses include the following:

	₹
Electrical Line Exp	2,01,228
MSE & BSE Exp	2,48,468
Professional charges	1,61,633
ROC Filing fee	3,29,000
Stamps	110

	9,40,439

27. Details of Human Hair opening, purchases, Sales and closing stock of goods:

Name of the Item	Opening		Purchases		Issues		Closing	
	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹
Raw Material	2355.82	11327849	36257.44	159013920	17050.94 (Consumed)	67182179	21562.32	103159590

Name of the Item	Opening		Production		Sales		Closing Stock	
	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹	Qty in Kgs.	Value in ₹
Finished Goods	0.00	0	12960.00	0	12960.00	79653664	0.00	0

28. The company received an amount of ₹ 1,11,744/- towards capital grant from government.

29. Since the company deals only in Manufacturing of Human hair products, the reporting requirement as per AS-17 on Segment reporting does not arise during the period.

30. The Company discounted its export bill of USD 914875 with State Bank of India and the same is treated as realized from the export receivables as the export bill is against LC. The said amount has been realized to the bank on 10/04/2013.

31. Cash-flow statement enclosed.

32. Previous period figures have been regrouped wherever necessary.

33. Figures in brackets indicate those for the previous period.

34. The Previous period's figures are for 9 months period ended 31st March, 2012, while those of current period for the year ended 31 March, 2013. Hence the same are not comparable. The previous period's figures have been regrouped / reclassified wherever necessary to conform to the current period presentation

As per our report of even date
For CHEVUTURI ASSOCIATES
 Chartered Accountants
 Firm Reg. No.000632S

For and on behalf of the Board

G. Raghu Rama Raju
 Chairman & Managing Director

(CA. Srinivasa Rao Cherukuri)
 Partner
 M.No.209237

G. Parvathi
 Director

RADIX INDUSTRIES (INDIA) LIMITED

Regd Off : 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh

PROXY

Regd. Folio No. :

No. of Shares Held:

Client ID :

I / we..... of
..... in the district of.....
..... hereby appoint
of..... or failing him..... of
..... as my/our Proxy to attend
and to vote for me/us on my/our behalf at the 19th Annual General Meeting of the Company
to be held on Thrusday, 22nd August 2013 at 11.00 A.M. at : Door No. 4-243 Chivatam, Near
NH-5 Road Tanuku A.P and at any adjournment thereof.

Signature
(on Re. I
Revenue
Stamp)

Signed this day of Two Thousand Thirteen

Note : This Proxy Form duly completed should be deposited at the Registered Office of the Company not less
the 48 (Forty Eight) hours before the time fixed for holding the meeting.



RADIX INDUSTRIES (INDIA) LIMITED

Regd Off : 4-243, Chivatam, Near NH-5 Road, Tanuku - 534211 West Godavari District, Andhra Pradesh

ATTENDANCE SLIP

(Please present this slip at the Meeting Venue)
19th ANNUAL GENERAL MEETING

Regd. Folio No. :

No. of Shares Held:

Client ID :

I hereby record my presence at the 19th ANNUAL GENERAL MEETING of the members
of the Company held on Thrusday, 22nd August 2013 at 11.00 A.M. at : Door No. 4-243
Chivatam, Near NH-5 Road Tanuku A.P

Name of the Shareholder:

Name of the Proxy:

Signature of Member / Proxy:

BOOK - POST

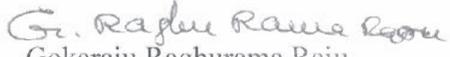
If undelivered please return to :

RADIX INDUSTRIES (INDIA) LIMITED

Corporate Office : Plot No. 21, Aswini Heights,
Road No.7, Jubilee Hills, Hyderabad – 500 033

FORM A

**COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED WITH
THE STOCK EXCHANGES**

1.	Name of the Company:	RADIX INDUSTRIES (INDIA) LIMITED
2.	Annual financial statements for the year ended	31.03.2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	NA
5.	To be signed by- <ul style="list-style-type: none">• Managing Director• CFO• Auditor of the Company• Audit Committee Chairman	<p> Gokaraju Raghurama Raju</p> <p> Gokaraju Raghurama Raju</p> <p> CA. Srinivas Rao Cherukuri Partner M.No.209237 Chevuturi Associates Chartered Accountants.</p> <p> G.Rama Lakshmi Narayana Rao</p>